

big part of it. Most people are surprised to think of Wall Street and the Ag Committee at the same time, but those of us from Chicago are not. We have a futures market which has been in place for almost a century, starting with the Chicago Board of Trade, and it deals in futures—derivatives, if you will—that are based on agricultural commodities and currency and interest rates and a certain index. That operation in Chicago is governed and regulated by the Commodity Futures Trading Commission. The jurisdiction of that, as it started with agricultural products, has been relegated to the Agriculture Committee.

Senator LINCOLN met this week and did an outstanding job of reporting a bill on that section of the bill related to derivatives and futures regulated by the Commodity Futures Trading Commission. She was successful in reporting the bill from her committee, with the support of Senator GRASSLEY of Iowa making it a bipartisan effort. Another Republican Senator expressed an interest in helping as well. So I give her high praise in this charged political atmosphere in which we work in this body. It says a lot for her that she can put together this type of bipartisan coalition.

At the same time, Senator DODD, in the Banking Committee, has been working on a bill as well, trying to bring the two together on the Senate floor and have a joint effort to deal with this issue.

Now, why are we doing this? Well, we are doing this for very obvious reasons. We know that leading into this recession, Wall Street and the big banks in America got away with murder. At the end of the day, the taxpayers of this country were called on to rescue these financial institutions from their own perfidy.

When we look at the things they did in the name of profit, it turned out to be senseless greed. At the end of the day, many people suffered. As a result of this recession, \$17 trillion was extracted from the American economy—\$17 trillion in losses. Mr. President, \$17 trillion is more than the annual gross national product of the United States. So if we took the sum total value of all the goods and services produced in our country in 1 year, we lost that much value in this recession. It was the hardest hit the American economy has taken since the Great Depression in 1929.

Of course, a lot of it had to do with bad decisions. Some individual families and businesses made bad decisions. They borrowed money when they shouldn't have. They got in too deeply, bought homes that were too expensive. They might have been lured into it, but they made bad decisions. The government made some bad decisions. We thought, as a general principle, encouraging home ownership was great for our country; that the more people who own a home, the more likely they will make that home a good investment for

themselves, and the more likely they will be engaged in their neighborhood and their churches and in their communities, and the stronger we will be as a nation. That was the starting point. So we opened up opportunities for home ownership, reaching down to levels that had not been tried before, and, unfortunately, that went too far.

The private sector was to blame. When we look at so many people who were lured into mortgages and borrowing far beyond their means, we see there was also a lot of deception going on. People were told they could get a mortgage and make an easy monthly payment and weren't told their mortgage would explode right in front of them, as the subprime mortgage, in a matter of months or years, would have a monthly payment far beyond their means. They weren't told there was a provision in that mortgage which had a prepayment penalty that stopped them from refinancing, and that they were stuck with high interest rates from which they couldn't escape. They weren't told that just making an oral representation about their income was not nearly enough; that they needed to produce documentation about their real net worth.

These so-called no-doc closings, which became rampant in some areas, led to terrible decisions, encouraged by greedy speculators in the financial industries. So the net result was that the bottom fell out of the real estate market and \$17 trillion in value was lost in the American economy. Most of us felt it in our 401(k)s, in our savings accounts, and in our retirement plans. We saw it with businesses that lost their leases and lost their businesses and had to lay off their employees.

The President was faced with 800,000 unemployed Americans in his first month in office. That is an enormous number of people. The total today is about 8 million actively unemployed, with 6 million long-term unemployed. It is huge, and it affects every single State. In my State, there is over 11 percent unemployment. In Rockford, IL, it is close to 20, and Danville about the same. I have visited those communities, and I can see the pain and the sacrifices that are being made by people who have lost their jobs.

So the President came in and asked us to pass a stimulus bill, which we did. It was some \$787 billion that was injected into the economy in an effort to get it moving again, providing tax breaks for 95 percent of working families and middle-income families across America. It was a safety net for those who had lost their jobs, not only in unemployment benefits but also COBRA or health insurance benefits, and finally an investment in projects such as highway construction, which would create good-paying American jobs right now and produce something that would have value for our economic growth in the years to come.

At the same time, though, as we go through this painful process of coming

out of this recession, we have to make changes in Wall Street and the financial institutions to guarantee that we would not face this again. That means taking an honest look at some of the practices that are taking place today, and that are legal today. We got into this thinking—and I was part of it; most of us were—that if we had an expanding financial sector in the United States, it would expand jobs and opportunities and business growth and global competition.

Unfortunately, it went overboard. Many financial institutions, which are now being called on the carpet, took the authority given them by the Federal Government to an extreme. That is what we are trying to change. We want to make sure there is some accountability on Wall Street and with the big banks, so that we understand what they are doing and that their investments don't end up being a gamble where people can lose their life savings or investments.

We want to make sure as well that we empower consumers in the United States. This bill that is going to come before us has the strongest consumer financial protection ever enacted into law in the United States. We are going to create an agency which is going to protect and empower consumers—protect them from the tricks and traps and shadowy agreements and fine print stuck in mortgages and credit card statements, in student loans, in retirement plans, and all of the things that people engage in daily in their lives where one sentence stuck in a legal document can end up being someone's downfall.

We want to protect consumers from that and empower consumers to make the right decisions, so that there will be clarity in these legal documents that can bring a person's financial empire to ruin. That kind of clarity and plain English is going to be guaranteed by a Federal group that is going to keep an eye on the financial industries.

Some of these large banks are fighting us. They don't want to see this happen. They do not believe there should be this kind of consumer financial protection. But we are going to fight to make that happen so consumers across America have a fighting chance when they enter into agreements, so that they will have a legal document they can understand and one that they can work with, and then they will have an agency to back them up.

Currently, we have only had one Republican Senator vote for this kind of reform—Senator GRASSLEY of Iowa voted for it in the Agriculture Committee version that came out of Senator LINCOLN's committee. But on the Banking Committee, not a single Republican would vote for it. I hope they will have a change of heart.

I understand there are negotiations underway, but I hope the negotiations don't water down the basic agreement in this bill. We need a strong bill. We need a bill that meets the test of what